

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawaii 96813

July 08, 2011

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Kaua'i

Forfeiture of General Lease No. SP0162, Lisa Wood, Lessee, Waimea Canyon State Park,
Waimea (Kona), Kaua'i, Tax Map Key: 4th/1-4-002:053

REQUEST:

Forfeiture of General Lease No. SP0162, Lisa Wood, Lessee.

LEGAL REFERENCE:

Section 171-39 Hawaii Revised Statutes, as amended.

LOCATION:

Lot 53, Pu'u ka Pele, Waimea Canyon State Park, Waimea (Kona), Kaua'i, identified by Tax Map
Key: (4) 1-4-002 Parcel 53, as shown on the attached Tax Map Key labeled Exhibit A.

AREA:

1.08 acres, more or less, subject to confirmation by the Department of Accounting and General
Services, Survey Division.

ZONING:

State Land Use District: Conservation
The property is zoned CN, Neighborhood Commercial.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ____ NO x

ITEM E-3

CURRENT USE STATUS:

Encumbered by General Lease No. SP0162 to Lisa Wood, Lessee, and encumbered by Governor's Executive Order No. 2209.

CHARACTER OF USE:

Recreation - residence.

LEASE TERM:

Twenty (20) years commencing on the first day of January 2009, up to and including the 31st day of December, 2029.

ANNUAL RENTAL:

For the first ten (10) years, the sum of FIVE THOUSAND AND NO/DOLLARS (\$5,000) per annum.

REMARKS:

Ms. Wood is a lessee of a single recreational residence lot (Lot #53) in the Waimea Canyon State Park neighborhood of Pu'u ka Pele. The lease reserves ownership of "all improvements of whatever kind or nature including but not limited to cabins, residences, cesspools, water system(s) and piping, and fences located on the land prior to or on the commencement date of this lease or constructed during the term of this lease."

On or about October 3rd, 2010, a fire fully destroyed the existing two story cabin on Lot #53 known as the "Glass House". There were no reports of any injuries and State Parks is not aware of any investigation in to the matter. Ms. Wood reported to State Parks that the cause of the fire was accidental.

Fire and extended coverage insurance is required pursuant to section 51 of the lease. The most recent fire insurance certificate indicated fire coverage from September 13, 2009 to September 13, 2010, twenty days prior to the fire. The policy was apparently not renewed and State Parks has not received any other notices from the carrier or Ms. Wood regarding any type of insurance.

On March 29, 2011, State Parks issued a Notice of Default to Ms. Wood as follows:

Pursuant to the authority granted me by the Board of Land and Natural Resources at its meeting of January 11, 1980, the breach provision (Par. 21) contained in the lease, and the provisions of Haw. Rev. Stat. § 171-20 (1993) you are hereby served a Notice of Default on said lease for the following:

Failure to clear the premises or re-build improvements since the cabin burned down on or about October 4, 2010.

Failure to pay rent for 2011 as well as water and other fees. The total now due to the State for rent and fees is \$4,109.00.

Failure to post required Fire Insurance Policy or request and justify waiver (Par. 51)

Failure to post required Liability Insurance Policy (Par. 17)

Said notice, accepted by Lessee on April 7, 2011, afforded Lessee a 60 day period to cure the areas of default. Ms. Wood reported on June 17, 2011, that the site has been cleared, but the cabin has not been re-built. Rent for 2011, late fees and water charges (currently \$4,263.50), have not been received, and no other evidence of insurance pursuant to the lease has been delivered to the State. Late fees of \$50.00 per month and water service charges continue to accrue.

RECOMMENDATION: That the Board:

1. Authorize the cancellation of General Lease No. SP0162 in the manner specified by law;
2. Authorize the retention of all sums heretofore paid or pledged under General Lease No. SP0162 to be applied to any past due amounts;
3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of July 08, 2011, provided that any and all obligations of the Lessee which have accrued to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law; and,
4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawai'i under General Lease No. S0162 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,



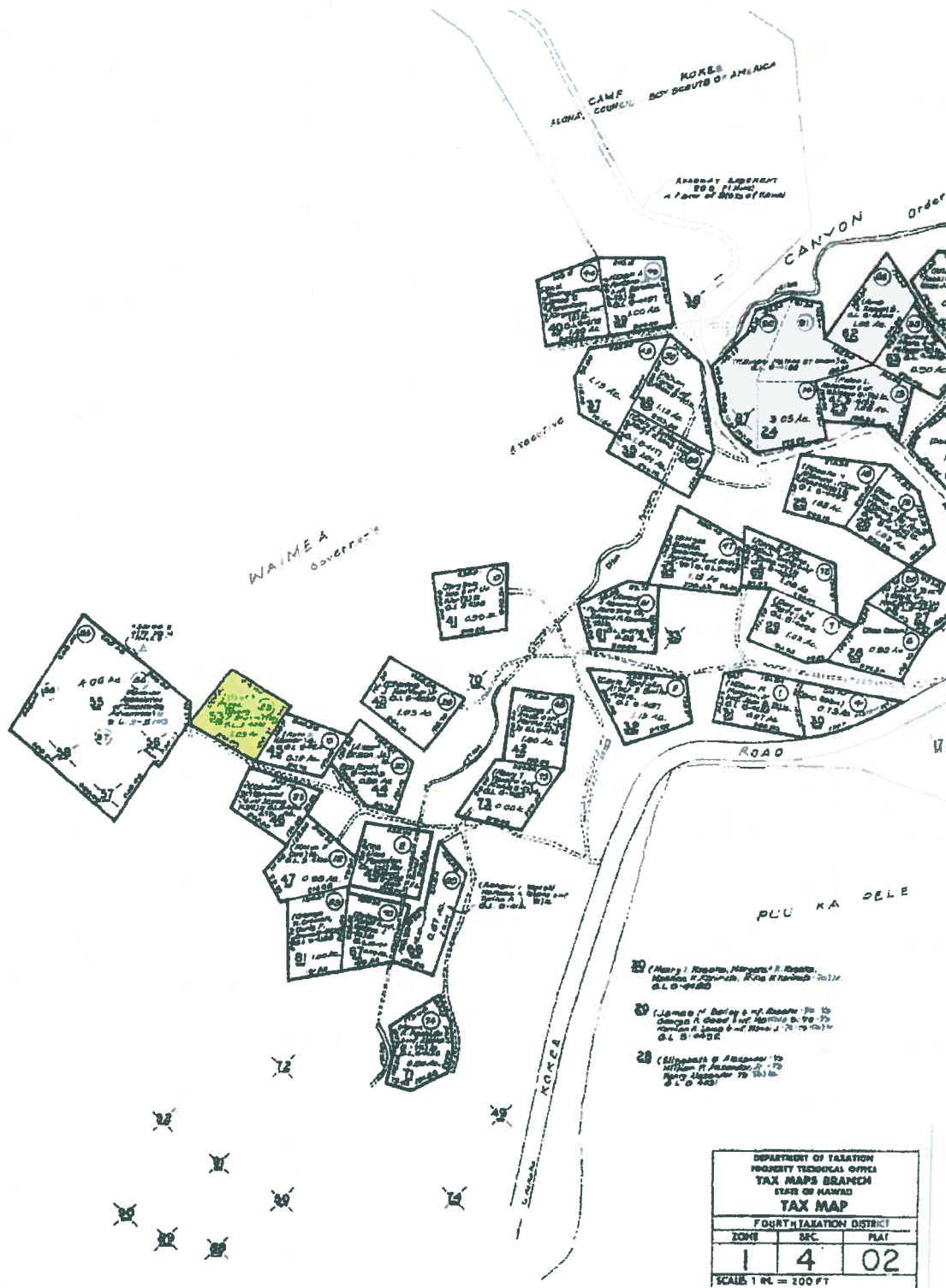
DANIEL S. QUINN
State Parks Administrator

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR., Chairperson
Attachment

Exhibit A Tax Map Key (por.)



PUUKAPELE PARK LOTS, WAIMEA, KAUAI